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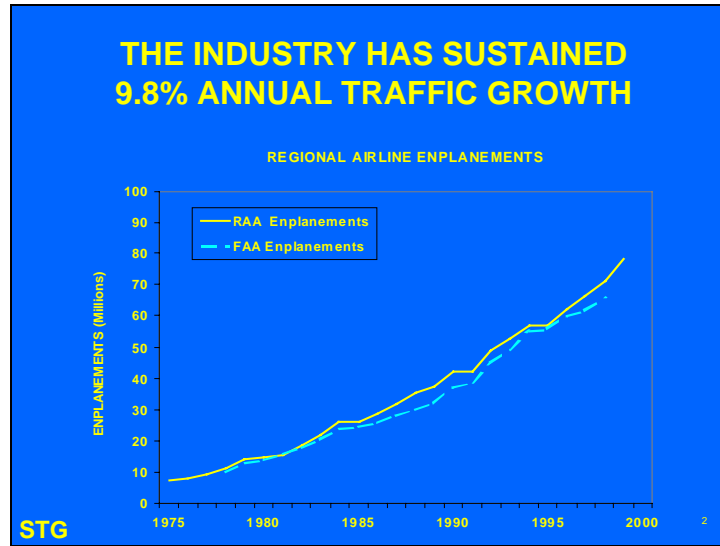
**REGIONAL AVIATION:
A VITAL PAST,
A CHALLENGING FUTURE**

Prepared for:
26th ANNUAL
FAA FORECAST CONFERENCE

Prepared by:
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San Francisco, CA

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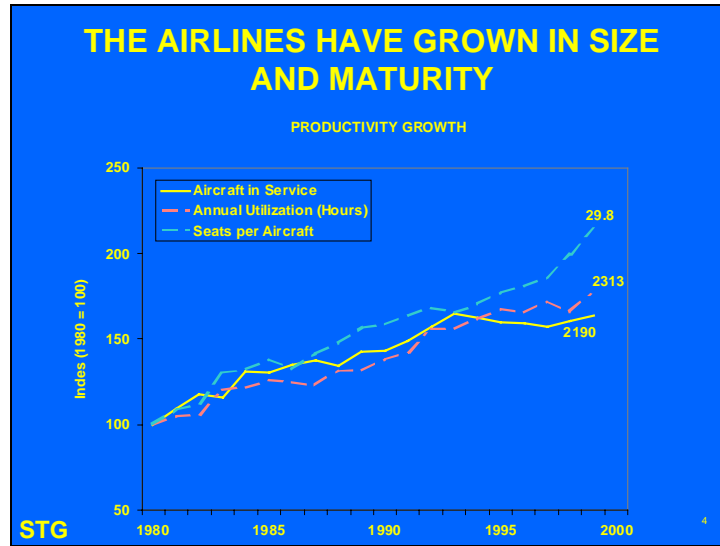
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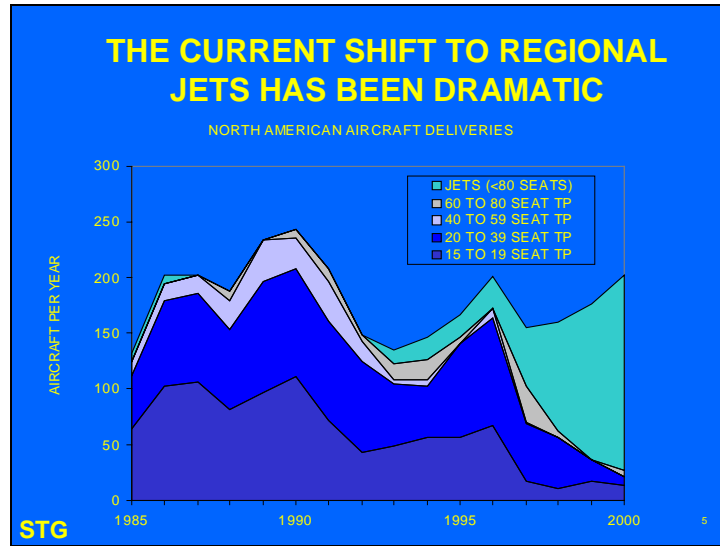
THE CHARACTER OF REGIONAL AIRLINES HAVE STEADILY MATURED

- **1978**
 - 258 Commuter Airlines
 - 10 million passengers (4% domestic total)
 - 19-Seat turboprop aircraft, cost \$1.2 million
- **2000**
 - 97 Regional Airlines
 - 80+ million passengers (13% of total)
 - 50-seat jet aircraft, cost \$20 million

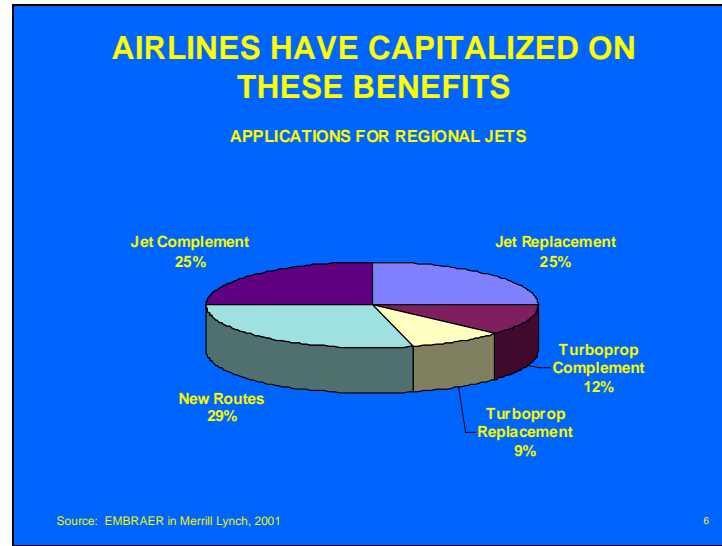
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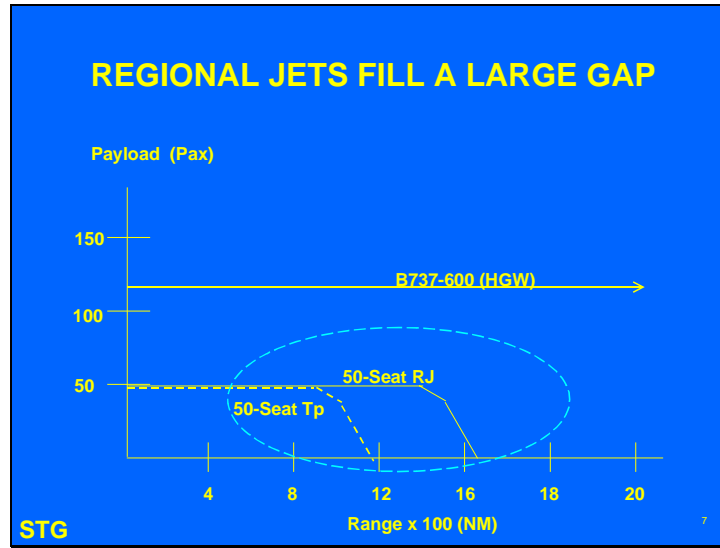
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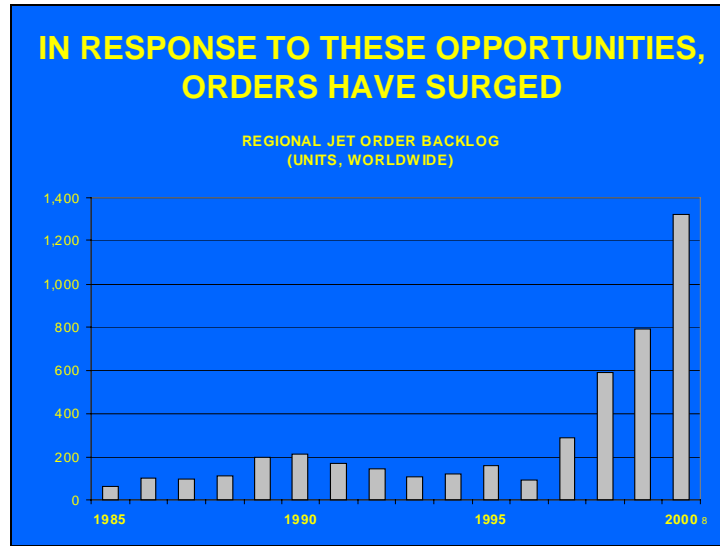
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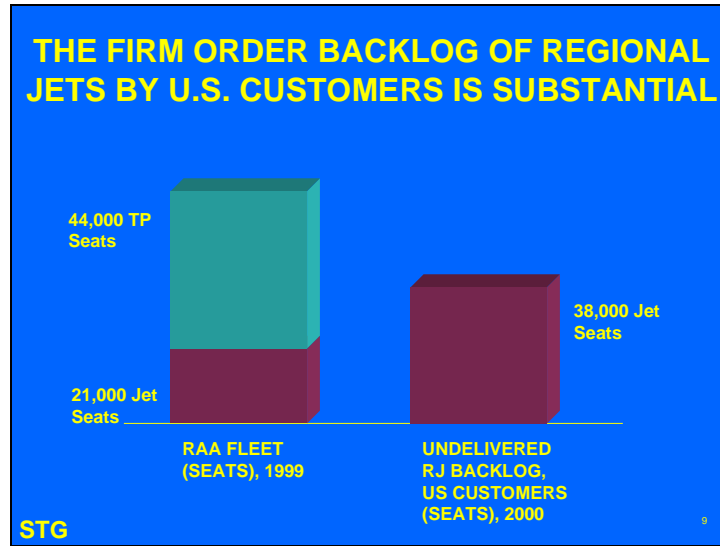
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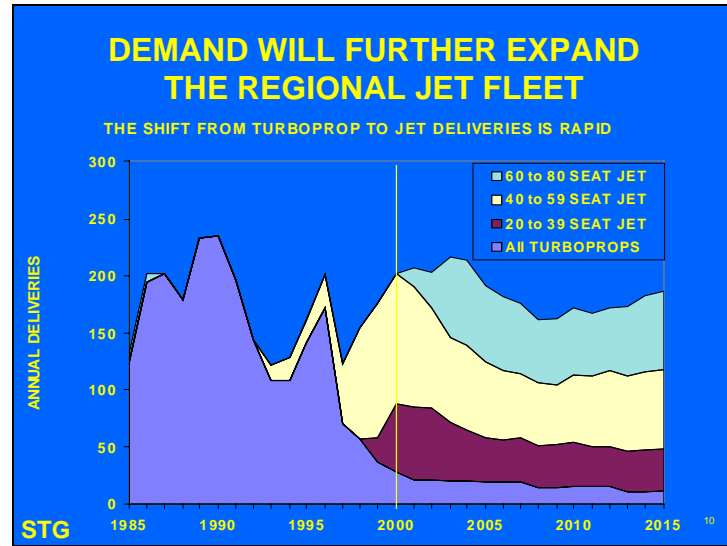
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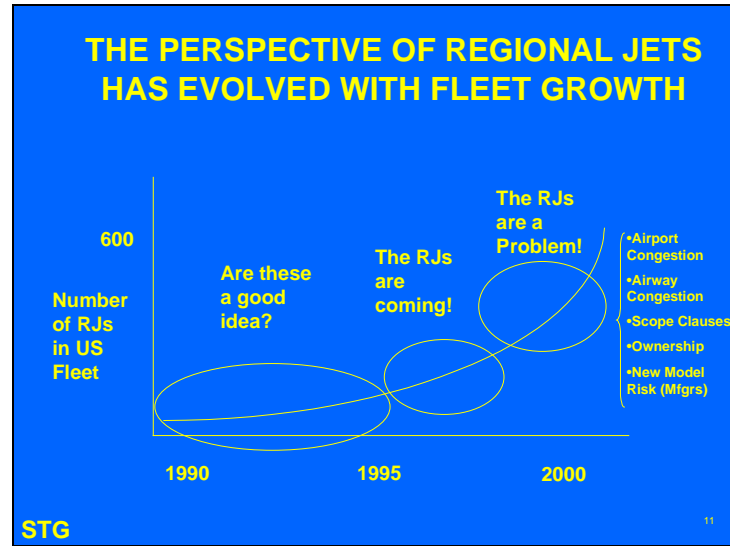


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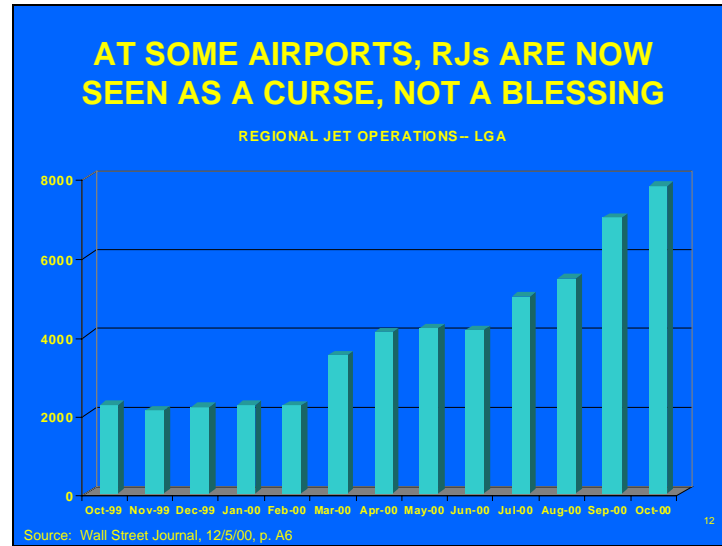


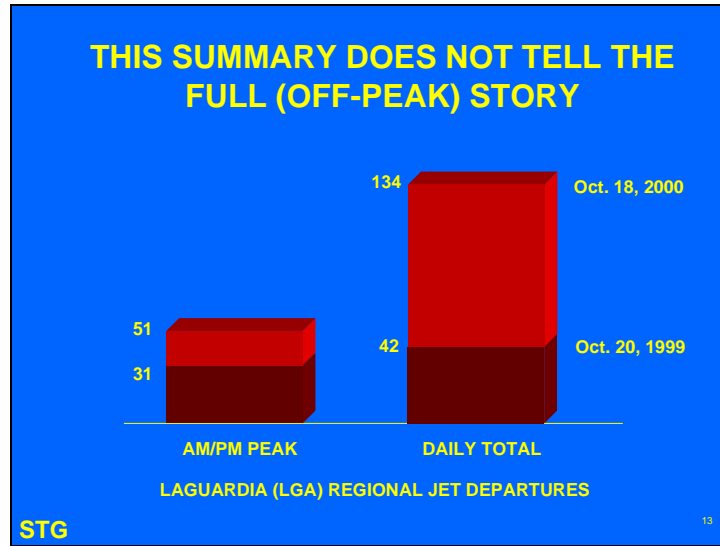
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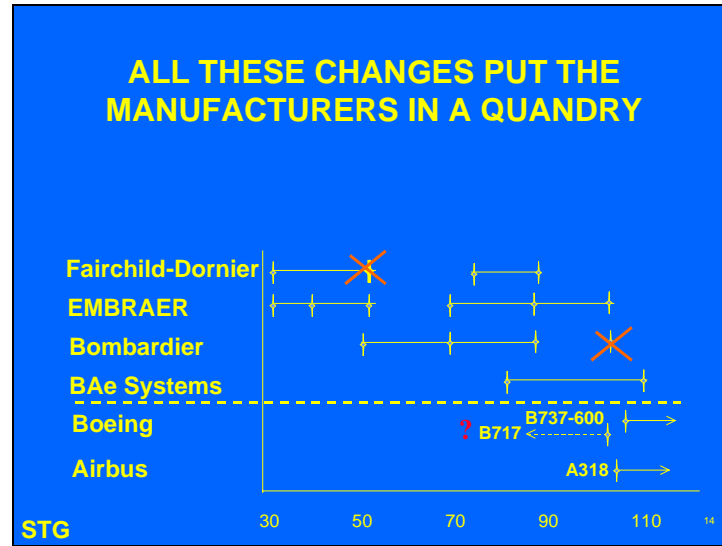




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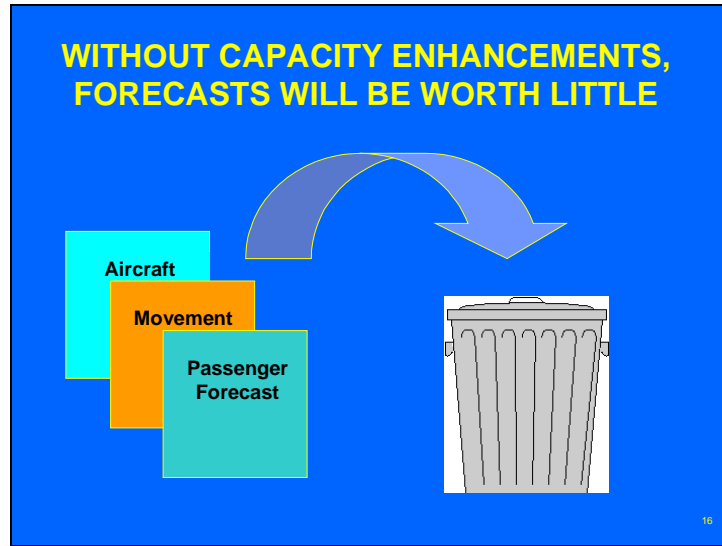






RUMBLINGS OF “DEMAND MANAGEMENT” vs CAPACITY EXPANSION

- Size Restrictions (Massport, SFO)
- Peak Hour Pricing (Massport, LGA)
- Capacity Limits and Restrictions (LGA, DCA, ORD)
- Local Requirements or Restrictions versus Federal Standards



CONCLUSIONS

- Regional airlines have generated sustained growth since 1978
- The traveling public has benefited through increased frequency, increased routing alternatives and lower fares
- Regional jets are providing growth opportunities extending the service provided by turboprops

BUT

- Unless infrastructure expansion accommodates demand growth, these benefits will be curtailed.

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